

Service Date: June 23, 1978

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

IN THE MATTER of the Application of)	DOCKET NO. 6571
the CITY OF SIDNEY of authority)	DEFAULT ORDER NO. 4424
to adopt Increased Water Rates.)	

On April 10, 1978 the CITY OF SIDNEY (Applicant) filed a petition with the Commission FOR AN ORDER AUTHORIZING APPLICANT TO INCREASE ITS WATER RATES FOR ADDITIONAL REVENUE FOR THE EXTENSION, EXPANSION, REPAIR AND IMPROVEMENT OF THE EXISTING FACILITY AND TO DEFRAY INCREASED COSTS OF OPERATION.

Having considered the application and the documentation furnished by Applicant in support of its application and deeming itself fully advised in the premises, the Commission makes the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

- 1) . A notice of proposed hearing to be held, if requested, was published in the May 15, 1978 edition of the Sidney Herald, Sidney, Montana. The notice stated that if no requests for a public hearing were received by June 15, 1978 an appropriate order would be issued based upon evidence submitted with the application.
- 2) . No requests for a hearing were received and no hearing was scheduled.
- 3) . On April 3, 1978 the City Council of the City of Sidney, Montana passed a resolution No. 1805 setting water rates at the proposed level.
- 4) . The City projects a need for extension, expansion, repair and improvement of facilities for the provision of water to inhabitants of the City.
- 5) . The City alleges that the rates and charges now in effect are not adequate to provide revenues with which to accomplish the extension, expansion, repair and improvement of said facilities and defray cost of operation of said facilities.

6). The City alleges that increased operation expenses of \$20,000 annually have resulted from a water treatment to reduce the heavy iron content of the water, the City alleges this treatment was begun after 1974.

7) . The City alleges that general office salaries and expenses have risen from \$12,069 in 1973 to \$20,464 in 1977, an increase of 17 percent per year.

8) The City alleges that total operating costs, exclusive of water treatment, have increased from \$68,009 in 1973 to about \$133,808 in 1977.

9) . The plans to undertake construction of almost a mile of 12 line to improve distribution.

CONCLUSIONS OF LAW

1) . The increase applied for is necessary to improve distribution, maintain treatment and meet current obligations.

2). The resulting rate levels are reasonable and just.

ORDER

1). The following rates are authorized:

RESIDENTIAL WINTER & SUMMER PATES

Usage Per Month	Winter Rate Schedule	Summer Rate Schedule
Minimum	\$2.40 for 3,000 gals.	\$2.40 for 3,000 gals.
Minimum to 10,000 gallons	Add 0.71 per 1,000 gallons	Add 0.39 per 1,000 gallons
10,000 to 20,000 gallons	Add 0.58 per 1,000 gallons	Add 0.33 per 1,000 gallons
20,000 to 50,000 gallons	Add 0.46 per 1,000 gallons	Add 0.26 per 1,000 gallons
50,000 to 100,000 gallons	Add 0.33 per 1,000 gallons	Add 0.20 per 1,000 gallons
100,000 and over	Add 0.25 per 1,000 gallons	Add 0.13 per 1,000 gallons

The above minimum rates are for 5/8 or 3/4 inch meters.

COMMERCIAL RATE:

Commercial customers will pay a monthly charge equal to one hundred twenty-five percent (125%) of the residential water rate up to 100,000 gallons of use per month. Above this amount, the rate will be the same for commercial users as listed above. The minimum charge for commercial customers will be \$3.00 per month for up to 3,000 gallons of water use.

COMMERCIAL SPRINKLING RATE:

Commercial customers using water for sprinkling during the summer months will be charged the commercial rate for water use for other than sprinkling and the residential summer rate for water used for sprinkling. Where metering of the irrigation water is not separate from other water use, the City will make a division of summer water used based on winter use records and judgment.

The increased rates will be effective for services delivered on and after July 1, 1978.

DONE IN OPEN SESSION in Helena, Montana on June 22, 1978 by a 3 - 1 vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

GORDON E. BOLLINGER, Chairman

THOMAS J. SCHNEIDER, Commissioner

P.J Gilfeather, Commissioner
(Voting to Dissent)

James R. Shea, Commissioner

ATTEST

Madeline L, Cottrill or
Mary Tatchell
Acting Secretary

(SEAL)

NOTE: You may be entitled to judicial review of the final decision in this matter. If no Motion for Reconsideration is filed, judicial review may be obtained by filing a petition for review within thirty (30) days from the service of this order. If a Motion for Reconsideration is filed, a Commission order is final for purpose of appeal upon the entry of a ruling on that motion, or upon the passage of ten (10) days following the filing of that motion. cf. the Montana Administrative Procedure Act, esp. Sec. 2-4-702, MCA; and Commission Rules of Practice and Procedure, esp. 38.2.4806 ARM.